

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI**

In re:)
O&G LEASING, LLC) Case No. 10-01851 EE
PERFORMANCE DRILLING COMPANY, LLC) Case No. 10-01852 EE
Debtors.) Chapter 11
) Joint Administration Requested

**APPLICATION TO EMPLOY GENERAL CAPITAL PARTNERS, LLC, AS
FINANCIAL ADVISORS TO THE DEBTORS**

COME NOW O&G Leasing, LLC and Performance Drilling Company, LLC, debtors and debtors-in-possession (collectively, the “**Debtors**” or the “**Company**”), by and through counsel, McCraney Montagnet & Quin, PLLC, pursuant to Fed. R. Bankr. P. 2014(a) and §§ 327(a) and 328(a) of the Bankruptcy Code, request authorization to employ General Capital Partners, LLC (“**GCP**”) as financial advisors to the Debtors, and state as follows:

1. The Debtors filed their voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) on May 21, 2010.
2. The Debtors continue in possession of their properties and in the management of its business as debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code

Relief Requested

3. The Debtors desire to employ GCP as their financial advisors. GCP has agreed to provide these services for the Debtors in this case. GCP maintains an office at 600 17th Street, Suite 2350 South, Denver, Colorado 80202.

4. A knowledgeable and experienced consultant is necessary to assist with analysis and formulation of capital and debt strategies and of chapter 11 plan options, to assist with the Debtors' future financial and business plans and to continue the Debtors' reorganization efforts. The Company has financial and business issues which require sophisticated and independent financial assistance and can benefit from professional financial advice from someone knowledgeable of the market and industry factors affecting the Debtors. GCP has the specialized knowledge and experience to perform such services.

5. GCP is a leading turnaround management and investment banking firm serving distressed middle market companies nationwide. GCP was founded in 2002 and has completed of 120 engagement representing more than \$750 million in transaction value. Professionals at GCP have expertise in finance, operations, executive management and corporate restructuring.

Professional Services to be Rendered

6. The professional services to be rendered in this case by GCP are listed in detail in the Retention Agreement attached hereto as **Exhibit A**. In short, they include, but are not limited to, the following:

- A. General financial and advisory services concerning the Company's chapter 11 reorganization and formulation of a Chapter 11 plan;
- B. Solicitation and pursuit of potential equity investors, lenders, venture opportunities, and other transactional and investment opportunities;
- C. Advice and analysis of the Company's financial condition and capital structure; and
- D. Assistance with the Company's chapter 11 proceedings, as needed, including expert and non-expert testimony.

GCP's Fee Arrangements

7. As set forth in Exhibit A, the Debtors will pay GCP a monthly fee of \$23,000 (defined in Exhibit A as the “**Advisory Fee**”). GCP will also be entitled to receive a “Merger or Joint Venture Fee” of \$50,000 if GCP is able to secure a transaction bringing new value to the estates through consummation of a plan of reorganization. The Debtors will reimburse GCP for documented out-of-pocket expenses.

8. Approval of the compensation of GCP pursuant to this Application is requested pursuant to the terms and conditions of the Retention Agreement and approved by the Court under Bankruptcy Code § 328(a). Accordingly, it is also requested that any requirements that GCP maintain time records or be required to file fee applications pursuant to Bankruptcy Code §§ 330 and 331 be waived other than a final fee application subject to approval pursuant to § 328(a) of the Bankruptcy Code.

9. Attached hereto as **Exhibit B** is the *Verified Statement of J. Gregory Barrow* in support of this Application (the “**GCP Affidavit**”).

10. To the best of the Debtors’ knowledge, except as disclosed in the Affidavit and discussed herein, GCP (i) does not represent or hold any interest adverse to the Company or the estates in the matters upon which it is to be retained or in any other matter, (ii) does not have any connections to the Debtors, creditors or any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the Office of the United States Trustee, and (iii) is a disinterest person within the meaning of 11 U.S.C. § 101(14).

WHEREFORE, pursuant to 11 U.S.C. §§ 327(a) and 328 (a), the Debtors request that they be authorized to employ General Capital Partners, LLC, as its financial advisors and for such other relief as appropriate and just.

THIS the 24th day of May, 2010.

Respectfully submitted,

O&G LEASING, LLC, et al.

By: /s/ Douglas C. Noble

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CERTIFICATE OF SERVICE

I do hereby certify that the foregoing pleading was filed electronically through the Court's CM/ECF system and served electronically on all parties enlisted to receive service electronically and was separately served by e-mail on the following:

Ronald H. McAlpin
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SO CERTIFIED, this the 24th day of May, 2010.

/s/ Douglas C. Noble